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TREATIES AND OTHER INTERNATIONAL ACTS SERIES 9510

SOUTHERN AFRICA MANPOWER DEVELOPMENT

Agreement Between the
UNITED STATES OF AMERICA
and LESOTHO

Signed at Maseru August 31, 1978

NOTE BY THE DEPARTMENT OF STATE

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LESOTHO

Southern Africa Manpower Development

Agreement signed at Maseru August 31, 1978;
Entered into force August 31, 1978.

GRANT NO. 78-632-25

A.I.D. Project No. 632-0069

PROJECT GRANT AGREEMENT

Between

LESOTHO

and the

United States of America

for

SOUTHERN AFRICA MANPOWER DEVELOPMENT

APPROP: 72-1181006

ALLOT.: 856-52-632-00-69-81

Dated: 31 August 1978

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ANNEX 1 : AMPLIFIED DESCRIPTION OF THE PROJECT

I. General
SECTION A : Purpose of the Project
SECTION B : Training and Technical Assistance
SECTION C : Project Inputs

II. Procurement and Disbursement
1. Technical Assistance
2. Commodities
3. Construction

III. Housing

IV. Implementation

V. Evaluation

VI. Financial Plan

ANNEX 1 : Attachment 1 - Request for OPEX Technician
ANNEX 1 : Attachment 2 - Implementation Plan

[1] Not printed herein. The annex is deposited in the archives of the Department of State where it is available for reference.

A.I.D. Project No. 632-0069

PROJECT GRANT AGREEMENT

Dated 31 August , 1978

Between LESOTHO ("Grantee")

and THE UNITED STATES OF AMERICA, acting through THE AGENCY FOR INTERNATIONAL DEVELOPMENT ("A.I.D.")

ARTICLE 1 : The Agreement.

The purpose of this Agreement is to set out the understandings of the parties names above ("Parties") with respect to the undertaking by the Grantee of the Project described below, and with respect to the financing of the Project by the Parties.

ARTICLE 2 : The Project.

Section 2.1 : Definition of Project.

The Project, which is further described in Annex I, will assist the Grantee Lesotho, in alleviating critical manpower shortages which exist in the public sector. The project will accelerate localization of key positions in the Lesotho Government by providing practical in-country training and advanced overseas course work, and will provide to the Government of Lesotho the services of operational personnel (OPEX) to manage Lesotho's immediate public sector needs while nationals are being trained as well as to provide on-the-job training. A.I.D. will assist in financing technical assistance, participant training, construction of houses, commodities, and general support costs. Annex I, attached, amplifies the above definition of the Project. Within the limits of the above definition of the Project, elements of the amplified description stated in Annex I may be changed by written agreement of the authorized representatives of the Parties named in Section 8.2, without formal amendment of this Agreement.

Section 2.2 : Incremental Nature of Project

(a) A.I.D.'s contribution to the Project will be provided in increments, the initial one being made available in accordance with Section 3.1 of this Agreement. Subsequent increments will be subject to availability of funds to A.I.D. for this purpose, and to the mutual agreement of the Parties, at the time of a subsequent increment, to proceed.

(b) Within the overall Project Assistance Completion Date stated in this Agreement, A.I.D., based upon consultation with the Grantee, may specify in Project Implementation Letters appropriate time periods for the utilization of funds granted by A.I.D. under an individual increment of assistance.

ARTICLE 3 : Financing

Section 3.1 : The Grant

To assist the Grantee meet the costs of carrying out the Project, A.I.D. pursuant to the Foreign Assistance Act of 1961, as amended,[1] agrees to grant the Grantee, under the terms of this Agreement not to exceed U.S.$1,767,000.

It is anticipated that, subject to the conditions in Section 2.2, A.I.D.'s total contribution to the Project will be $9,970,000.

The Grant may be used to finance foreign exchange costs, as defined in Section 6.1, and local currency costs as defined in Section 6.2, of goods and services required for the Project.

Section 3.2 : Grantee Resources for the Project

(a) The Grantee agrees to provide or cause to be provided for the Project all funds, in addition to the Grant, all other resources required to carry out the Project effectively and in a timely manner.

(b) The resources provided by the Grantee for the Project under this Agreement will not be less than the equivalent of U.S. dollars seventy-one thousand ($71,000). It is anticipated that the Grantee's total contribution over the life of the Project will not be less than the equivalent of U.S. dollars one million five-hundred thirty-two thousand ($1,532,000) including costs borne on an "in kind" basis.

[1] 75 Stat. 424; 22 U.S.C. § 2151 note.

Section 3.3 : Project Assistance Completion Date.

(a) The "Project Assistance Completion Date" (PACD), which is September 30, 1983, or such other date as the Parties may agree to in writing, is the date by which the Parties estimate that all services financed under the Grant will have been performed and all goods financed under the Grant will have been furnished for the Project as contemplated in this Agreement.

(b) Except as A.I.D. may otherwise agree in writing, A.I.D. will not issue or approve documentation which would authorize disbursement of the Grant for services performed subsequent to the PACD or for goods furnished for the Project, as contemplated in this Agreement, subsequent to the PACD.

(c) Requests for disbursement, accompanied by necessary supporting documentation prescribed in Project Implementation Letters are to be received by A.I.D. or any bank described in Section 7.1 no later than nine (9) months following the PACD, or such other period as A.I.D. agrees in writing. After such period, A.I.D., giving notice in writing to the Grantee, may at any time or times reduce the amount of the Grant by all or any part thereof for which requests for disbursement, accompanied by necessary supporting documentation prescribed in Project Implementation Letters, were not received before the expiration of said period.

ARTICLE 4 : Conditions Precedent to Disbursement.

Section 4.1 : First Disbursement.

Prior to the first disbursement under the Grant, or to the issuance by A.I.D. of documentation pursuant to which disbursement will be made, the Grantee will, except as the Parties may otherwise agree in writing, furnish to A.I.D. in form and substance satisfactory to A.I.D. A statement of the name of the person holding or acting in the office of the Grantee, specified in Section 8.2, and of any additional representatives, together with a specimen signature of each person specified in such statement.

Section 4.2 : Conditions Precedent to Construction

Prior to the first disbursement under the Grant for construction services, including any advance payment incident thereto, or to the issuance by A.I.D. of documentation pursuant to which disbursement will be made, the Grantee will, except as the Parties may otherwise agree in writing, furnish to A.I.D. in form and substance satisfactory to A.I.D.:

(a) final plans, designs and specifications for the A.I.D.-financed construction;

(b) evidence that sites have been appropriated for this construction; and

(c) an executed contract for construction services for the Project with a firm acceptable to A.I.D.

Section 4.3 : Notification

When A.I.D. has determined that the conditions precedent specified in Section 4.1 and 4.2, have been met, it will promptly notify the Grantee.

Section 4.3 : Terminal Dates for Conditions Precedent.

(a) If all of the conditions specified in Section 4.1 have not been met within 90 days from the date of this Agreement, or such later date as A.I.D. may agree to in writing, A.I.D., at its option, may terminate this Agreement by written notice to Grantee.

(b) If all of the conditions specified in Section 4.2 have not been met within 120 days from the date of this Agreement, or such later date as A.I.D. may agree to in writing, A.I.D., at its option, may cancel the then undisbursed balance of the Grant, to the extent not irrevocably committed to third parties, and may terminate this Agreement by written notice to the Grantee.

ARTICLE 5 : Special Covenants

Section 5.1 : Project Evaluation

The Parties agree to establish an evaluation program as part of the Project. Except as the Parties otherwise agree in writing, the program will include, during the implementation of the Project and at one or more points thereafter:

(a) evaluation of progress toward attainment of the objectives of the Project;

(b) identification and evaluation of problem areas of constraints which may inhibit such attainment;

(c) assessment of how much information may be used to help overcome such problems; and

(d) evaluation, to the degree feasible, of the overall development impact of the Project.

Section 5.2 : Provision of Technical Assistance

(a) The Parties agree that assignment of A.I.D. technical assistance personnel to work within government institutions of Lesotho will be based on requests by the Grantee in accordance with the criteria for A.I.D.-approval of technical assistance set forth in Annex I, Attachment I thereto; Annex I and subsequent Project Implementation Letters will set forth the dates by which such requests will be made.

(b) The Grantee will sign contracts with each OPEX technician provided under this project. The contract will provide for the pay, allowances, and benefits for such technicians on the same basis as the grantee provides for its officials for a similar grade.

(c) The policy included in Handbook 11, Chapter 1, which requires services of all individuals under the U.S. contract to be U.S. citizens is waived.

Section 5.3 : Selection and Placement of Trainees

The Grantee covenants that, except as A.I.D. may otherwise agree in writing:

(a) it will select within one year after the arrival in Lesotho of each A.I.D.-financed technician, a suitable Mosotho candidate to receive training outside Lesotho in the skills required to eventually assume the position within the Government of Lesotho occupied by that technician; selection of trainees will be submitted as part of the Training Plan described further in Annex I; and

(b) it will take such steps as may be required, including normal bonding procedures, to assure that individuals receiving training outside Lesotho will return to service within the Government either to replace or work with A.I.D.-financed technicians, or to occupy such other position as the Parties may agree to in writing.

Section 5.4 : Support for Trainees

The Grantee covenants to provide, in support of persons selected for training, benefits, allowances and support as described in Annex I to this Agreement.

Section 5.5 : Support for Technical Assistance Personnel

The Grantee covenants to provide, in support of the A.I.D.-financed technical assistance personnel, basic salary, benefits, allowances and support, including staff services, as described in Annex I to this Agreement.

Section 5.6 : Housing

The Grantee covenants that, in addition to the houses being constructed under this Project, it will make available other suitable housing for use by the A.I.D.-financed technicians and their families in the event A.I.D.-financed houses are not then available upon their arrival in Lesotho.

Section 5.7 : A.I.D.-Financed Houses

Except as otherwise agreed to by A.I.D. in writing, title to houses financed by A.I.D. under this Agreement will be vested on the Grantee. Notwithstanding that title is so vested, the Grantee covenants that it will reserve these houses for the use of A.I.D.-financed technicians working on this Project or other A.I.D. projects in Lesotho until such time as the Parties agree that these houses are no longer required for support of this or other A.I.D. projects in Lesotho.

Section 5.8 : Government of Lesotho - Project Manager

The Grantee covenants that it will appoint a Project Manager to administer this Project with special attention provided to the organization of training programs.

ARTICLE 6 : Procurement Source

Section 6.1 : Foreign Exchange Costs

(a) Except as stated below for construction materials and technical services, except for ocean shipping, goods and

services financed by A.I.D. under the project shall have their source and origin in the Cooperating Country or in countries included in A.I.D. Geographic Code 941, except as A.I.D. may otherwise agree in writing. Ocean shipping financed under the Grant shall be procured in any eligible source country except the Cooperating Country, and except as may be provided in the Project Grant Standard Provisions Annex, Section C.1(b) with respect to marine insurance, or as A.I.D. may otherwise agree in writing, disbursements pursuant to Section 7.1 will be used exclusively to finance the costs of goods and services required for the Project having their source and origin in the United States (Code 000 of the A.I.D. Geographic Code Book as in effect at the time orders are placed or contracts entered into for such goods and services).

(b) Not to exceed approximately U.S. dollars one hundred and seventy-five thousand ($175,000) in construction materials will have their source and origin in countries included in Code 935 of the A.I.D. Geographic Code Book in effect at the time orders are placed and a contract entered into for such materials.

(c) Subject to certain limitations which will be specified on Project Implementation Letters, technicians may have as their nationality countries included in Code 935 of the A.I.D. Geographic Code Book in effect at the time contracts are entered into for such services.

Section 6.2 : Local Currency Costs

(a) Not to exceed U.S. dollars four hundred and sixty-three thousand ($463,000) is authorized for funding of local currency costs for in-country training and construction costs.

(b) Disbursements pursuant to Section 7.2 will be used exclusively to finance the costs of goods and services required for the Project having their source and, except as A.I.D. may otherwise agree in writing, their origin in Lesotho ("Local Currency Costs"). To the extent provided for under this Agreement, "Local Currency Costs" may also include the provisions of local currency resources required for the Project.

ARTICLE 7 : Disbursement

Section 7.1 : Disbursement for Foreign Exchange Costs

(a) After satisfaction of conditions precedent, the Grantee may obtain disbursements of funds under the Grant for the Foreign Exchange Costs of goods or

services required for the Project in accordance with the terms of this Agreement, by such of the following methods as may be mutually agreed upon:

(1) by submitting to A.I.D., with necessary supporting documentation as prescribed in Project Implementation Letters,

A. requests for reimbursement for such goods or services, or

B. requests for A.I.D. to procure technical assistance or participant training services in Grantee's behalf for the Project, or

(2) by requesting A.I.D. to issue Letters of Commitment for specified amounts,

A. to one or more U.S. banks, satisfactory to A.I.D., commiting A.I.D. to reimburse such banks for payments made by them to contractors or suppliers, under letters of Credit or otherwise, for such goods or services, or

B. directly to one or more contractors or suppliers, commiting A.I.D. to pay such contractors or suppliers, through Letters of Credit or otherwise, for such goods or services.

(b) Banking charges incurred by Grantee in connection with Letters of Commitment and Letters of Credit will be financed under the Grant unless Grantee instructs A.I.D. to the contrary. Such other charges as the Parties may agree to may also be financed under the Grant.

Section 7.2 : Disbursement for Local Currency Costs

(a) After satisfaction of conditions precedent, the Grantee may obtain disbursements of funds under the Grant for Local Currency Costs required for the Project in accordance with the terms of this Agreement, by submitting to A.I.D., with necessary supporting documentation as prescribed in Project Implementation Letters, requests to finance such costs.

(b) The local currency needed for such disbursements may be obtained:

(1) by acquisition by A.I.D. with U.S. dollars; or

(2) by A.I.D.

A. requesting the Grantee to make available the local currency for such costs, and

B. thereafter making available to the Grantee, through the opening or amendment by A.I.D. of Special Letters of Credit in favour of the Grantee or its designee, an amount of U.S. dollars equivalent to the amount of local currency made available by the Grantee, which follars will be utilized for procurement from the United States under appropriate procedures described in Project Implementation Letters.

The U.S. Dollar equivalent of the local currency made available hereunder, will be, in the case of subsection (b)(1) above, the amount of U.S. dollars required by A.I.D. to obtain the local currency, and in the case of subsection (b)(2) above, an amount calculated at the rate of exchange specified in the applicable Special Letter of Credit Implementation Memorandum hereunder as of the date of the opening or amendment of the applicable Special Letter of Credit.

Section 7.3 : Other Forms of Disbursement

Disbursements of the Grant may also be made through such other means as the Parties may agree to in writing.

Section 7.4 : Rate of Exchange

Except as may be more specifically provided under Section 7.2, if funds provided under the Grant are introduced into Lesotho by A.I.D. or any public or private agency for purposes of carrying out obligations of A.I.D. hereunder, the Grantee will make such arrangements as may be necessary so that such funds may be converted into currency of Lesotho at the highest rate of exchange which, at the time the conversition is made, is not unlawful in Lesotho.

ARTICLE 8 : Miscellaneous

Section 8.1 : Communications

Any notice, request, document, or other communication submitted by either Party to the other under this Agreement will be in writing or by telegram or cable, and will be deemed duly given or sent when delivered to such Party at the following addresses:

To the Grantee:

Mail Address :

Alternate Address
for Cables :

To A.I.D.

Mail Address : A.I.D.
P.O. Box 750
Mbabane, Swaziland

Alternate Address
for Cables : As above

All such communications will be in English, unless the Parties otherwise agree in writing. Other addresses may be submitted for the above upon the giving of notice. The Grantee, in addition, will provide the U.S. A.I.D. Mission with a copy of each communication sent to A.I.D.

Section 8.2 : Representatives

For all purposes relevant to this Agreement, the Grantee will be represented by the individual holding or acting in the office of

and A.I.D. will be represented by the individual holding or acting in the office of

each of whom, by written notice, may designate additional representatives for all purposes other than exercising the power under Section 2.1 to revise elements of the amplified description in Annex I. The names of the representatives of the Grantee, with specimen signatures, will be provided to A.I.D., which may accept as duly authorized any instrument signed by such representatives in implementation of this Agreement, until receipt of written notice of revocation of their authority.

Section 8.3 : Standard Provisions Annex

An "Amplified Project Description" (Annex 1) and "Project Grant Standard Provisions Annex" (Annex 2)[1] are attached to and form part of this Agreement.

IN WITNESS WHEREOF, the Grantee and the United States of America, each acting through its duly authorized representatives, have caused this Agreement to be signed in their names and delivered as of the day and year first above written.

LESOTHO : By : .....[2]

Title : .....

Date : .....

UNITED STATES OF AMERICA :

By : .....[3]

Title : Acting Operations Officer

Date : Aug. 31, 1978

[1] See footnote 1, p. 4.
[2] E. R. Sekhonyana.
[3] Frank H. Campbell
AID Operations Officer.

ANNEX 1.

AMPLIFIED DESCRIPTION OF THE PROJECT

I. General

A. Purpose of the Project

To alleviate the shortage of skilled manpower in the Government this Project will provide for three types of assistance:

1. Long-term academic training for Lesotho officials from development oriented sectors of the government.

2. Operational personnel (OPEX) to temporarily fill positions in government which will be later filled by participants returning from long-term training.

3. In-service training in Lesotho or other African countries as necessary in direct support of the above-mentioned positions or to make more efficient or effective the organizational units being supported.

The goal which this Project serves, along with other Government of Lesotho (GOL) and U.S. A.I.D. efforts, is to increase the GOL capability and efficiency in planning, designing and implementing national economic and social development programs. For the U.S. these are represented in the U.S. Congress' Mandate to A.I.D., as stated in the Foreign Assistance Act of 1961, as amended. GOL objectives and priorities will be expressed through the GOL National Manpower Development Secretariat, and U.S. objectives and priorities through A.I.D.'s regional office (OSARAC) in Lesotho.

The purpose of this Project is to reduce critical manpower constraints to development mainly in the fields consistent with the U.S. Congressional

Mandate while strengthening the public sectors' institutional capability to meet the development needs of the country. It is expected that at the end of Project there will be:

1. Increased numbers of Basotho nationals in positions of responsibility making substantive inputs into the planning design and implementation of the GOL's development programs.

2. Trained Government personnel to assure maintenance of high level operational efficiency of GOL offices, and

3. Improved GOL project preparation and planning of projects for funding by the Government or by A.I.D. and other donors.

B. Training and Technical Assistance

The GOL will prepare an Annual Training Plan identifying those positions for which it is prepared to release GOL staff for long-term training in preparation for assignment to those positions on completion of training. The plans will be submitted to A.I.D. at times to be specified by A.I.D. in Implementation Letters. Where possible two, and under some circumstances more than two, participants will be trained with selection of incumbent to be made upon return. This training plan, prepared in collaboration with A.I.D., will serve as the basic working document in conduct of the long-term academic training. As a working document this plan will be subject to revisions and change as needed during the year.

A second funciton of the Annual Training Plan will be to identify and propose those positions which are suitable for occupancy by a temporary OPEX officer. Requests for OPEX technicians will demonstrate, insofar as possible, how each satisfies the following criteria.

1. The position is an established one, which is currently vacant or will become vacant at a foreseeable date; the vacancy of the position constitutes a constraint to development;

2. The position is related to development planning, administration, management or implementation. It represents a discrete need which can be met by the provision of a single individual;

3. Failure to fill the vacant position causes or may cause an emergency or critical situation; filling the vacancy will increase the efficiency and/or effectiveness in the unit which will prove valuable to government operation.

4. The vacant position or key supporting position is included in the government plan for localization and a counterpart is available to work with the OPEX technician and/or for training. Give the education and experience of the counterpart.

5. There is a need for training of other personnel within the unit, or supporting units, with whom the OPEX technician will expected to work.

A third activity under the Project will be to identify in-service training needs including short-term advisory training services. The Project will finance short-term non-academic training and in-country or in-region training programs.

1. Short-term non-academic training will include short course study programs, specifically tailored to institutional needs, not undertaken to obtain an academic degree, diploma or certificate. Possible designs could involve training programs at specified technical institutions and work-study attachments to organizations in

Other countries. To the extent possible, this type of training will be offered in specific skills, such as computer programming, draftsmanship, statistical analysis etc. Participants will be drawn from the support staff or organizational units within GOL ministries. It is anticipated that such training programs usually will be offered to participants who serve on the staffs of organizational units to which an OPEX advisor is assigned. It is estimated that 5 person/months of short-term non-academic training will be offered annually.

2. In-country or in-region training will be conducted at staff training institutions primarily in the Southern Africa region, including Lesotho. By necessity, the courses will be short-term for the purpose of upgrading or expanding specific technical skills and administrative or management capabilities.

It is estimated that 42 GOL officials wil be trained in the U.S. to fill positions identified in Annual Training Plans and approximately 420 GOL officials will be trained through in-service training programs and courses.

C. Project Inputs

Over the life of the Project, and subject to the availability of funds and agreement by the parties to proceed with the Project, A.I.D. will provide the following inputs:

1. an estimated 90 person/years of long-term OPEX operational services.

2. an estimated 65 person/months of short-term consultant services.

3. support for an estimated 90 person/years of long-term U.S. and African training for government officials.

4. support for an estimated 34 person/months short-term non-academic training for government officials.

5. other costs; support for

(a) short-term in-country or in-region training estimated at 360 person/months annually (18 courses),

(b) construction of 10 staff houses for OPEX personnel,

(c) Special Support Costs - to be used to OPEX personnel with selected services as well as to permit limited local procurement of certain necessary commodities and supplies.

(d) Contract Support - overhead and other administrative costs allocatable to the contract under which OPEX personnel are to be provided.

Over the life of the Project the Grantee will provide resources to the Project as follows:

Resources and procedures necessary for development and implementation of an Annual Training Plan will be provided in collaboration with OPEX personnel and in coordination with U.S. A.I.D.

Participants for long-term and short-term training will be made available for the period of training, by the GOS through release of GOL officials or through recruitment, and by commitment to continue their employment upon completion of training. GOL will provide a continuance of salary and local expenses allowances, continuation of government housing assignment and other standard GOL benefits for those undergoing similar training. Continuation of employment will normally be based on a two-for-one basis, i.e. at least two years service for each year of training.

The GOL will sign a local contract with each OPEX officer and will pay the basic local salary for each OPEX officer assigned to fill an established position in a Ministry or Department. GOL will provide residential housing and furnishings as necessary to supplement houses constructed under the Project. Other local allowances and employment benefits, such as medical services, travel and holiday leave will be provided on the same basis as for GOL employees of comparable rank. The difference in salary and allowances necessary to recruit OPEX officers from outside Lesotho, will be provided with A.I.D. funds in this Project through the contract mechanism. The GOL component of OPEX salaries will be subject to GOL income tax.

For in-service training, the GOL will provide classroom space, released time for personnel and materials and teaching equipment as available.

II. Procurement and Disbursement

1. Technical Assistance

A.I.D. will contract directly with a U.S. firm or institution, wholly or in part, to supply the services of OPEX and other technical assistance personnel. Disbursements will be made in accordance with the terms of that contract.

2. Commodities

Standard A.I.D. procurement procedures will be used. Further details with regard to the special support budget item will be forthcoming in Project Implementation Letters.

3. Construction

The 10 houses to be funded by A.I.D. under the Project will be financed on a Fixed Amount Reimbursement (FAR) basis.

Under the FAR method, the Grantee will carry out the construction utilizing its own funds and following usual competitive bidding, contracting and construction management procedures. The amount of A.I.D. reimbursement will be fixed in advance, based upon reasonable cost estimates reviewed and approved by A.I.D. A.I.D. will reimburse the Grantee upon verification of the physical completion of the construction, according to design specifications previously reviewed and approved by A.I.D. To relieve financial strain upon the Grantee and to permit construction work to begin expeditiously, A.I.D. is willing to make an advance in an amount up to 50% of its fixed contribution to construction costs.

It should be noted that the emphasis in the "fixed amount reimbursement method" is upon the final output or physical completion of the construction not upon the costs, therefore, documentation supporting actual costs incurred will not be required. Since the amount reimbursable by A.I.D. is fixed it is understood that the Grantee will bear the expense of any cost over-run in building the houses. Details of disbursement procedures and documentation required to request an advance of funds and final reimbursement will be provided at a later date under Project Implementation Letters (PIL). The fixed amount to be reimbursed for construction of each house will be determined upon A.I.D. review of final plans and specifications, and will be specified in a PIL.

III. Housing

A.I.D. will finance the cost of construction of ten staff houses. Construction of these houses will commence as soon as possible after the effective date of this Agreement. Title to a house will be vested in the GOL and shall be reserved for the use of U.S.-financed technical personnel in the U.S. assistance program in those countries. At such time as A.I.D. and the GOL determine that the houses are no longer required for this or other A.I.D. Projects they will be available at the discretion of the GOL for inclusion in the government housing pool.

A.I.D. will approve of housing design, construction costs and contractor selection as set forth in the Standard Provision Annex and in Implementation Letters.

A.I.D. will also monitor housing construction and determine that houses are constructed in compliance with approved plans and specifications.

IV. Implementation

It is expected that a contract will be negotiated with a United States institution, or partially by OSARAC, to provide the OPEX technicians and the short-term consultants.

(a) Annex I attachment 2 is a schedule for Project Implementation and includes estimated dates for initiation or achievement of certain significant Project events.

V. Evaluation

The evaluation plan will include two types of evaluation, one internal and two, external.

Internal evaluations will be made annually by GOL individual OPEX officers through annual reports and by GOL and U.S. A.I.D. through a full-scale annual review to determine progress and possible need for change.

Two major external evaluations are planned, one near mid-term and one near end-of-project. They will be conducted by an evaluation team which will include representatives of AID/Washington and of the contractor. The Scope of Work for these evaluations should include:

1. Validity of selection criteria for the OPEX advisory positions;

2. Extent of the GOL's provision of counterparts for the OPEX advisors;

3. Value of the training programs undertaken under the Project;

4. Retention and success of returned participants in assuming positions filled by OPEX advisors;

5. Degree of difference in the capacity and quality of operations in the organizational units where OPEX advisors have been provided. Judgements should also be made on the effectiveness of contractor's performance; and

6. Recommendation for possible Project extension or for follow-on project.

VI. Financial Plan

An illustrative financial plan follows as Table 1. Obligations by A.I.D. beyond the present fiscal year are subject to the availability of funds and mutual agreement by the Parties to proceed with the Project.

PROJECT FINANCIAL PLAN

(Source and Application of Funding - $ Thousand)

As of August 30, 1978 Project No. 632-0069

PROJECT INPUTS	AMOUNT FOR AN INCREMENTALLY FUNDED PROJECT								
	Cumulative Obligations/ Commitments as of August 30, 1978			Future Years Anticipated.			Total		
	A.I.D.	B/G	OTHER	A.I.D.	B/G	OTHER	A.I.D.	B/G	OTHER
Technical Services	1188	30		5510	841		6698	871	
Participant Training	88	20		880	232		968	252	
Other Costs	487	20		585	160		1072	180	
Contingency	4	1		409	13		413	14	
Inflation				819	215		819	215	
TOTAL	1767	71		8203	1461		9970	1532	

ANNEX 1.

ATTACHMENT 1

Request for OPEX Technician under SAMD

Position :

Government Unit :

Estimated Starting Date :

Estimated Completion Date:

I. Position Description

(a) Attach relevant Government documents: position description, organization chart, etc.

(b) Describe main tasks, including any special functions beyond general position description, for which OPEX technician will be responsible during the contract period.

II. State briefly the basis for the request of a U.S. technician to fill this position. Utilize the following criteria in-so-far as possible:

A. The position is an established one, which is currently vacant or will become vacant at a foreseeable date; the vacancy of the position constitutes a constraint to developmtnt.

B. The position is related to development planning, administration, management or implementation. It represents a discrete need which can be met by the provision of a single individual;

C. Failure to fill the vacant position causes or may cause an emergency or critical situation; filling the vacancy will increase the efficiency and/or effectiveness in the unit which will prove valuable to government operation.

D. The vacant position or key supporting position is included in the government plan for localization and a counterpart is available to work with the OPEX technician and/or for training. Give the education and experience of the counterpart.

E. There is a need for training of other personnel within the unit, or supporting units, with which the U.S. technician will be expected to assist.

III. Position Staffing

Indicate when the position to be filled by the U.S. technician will become vacant. Specify grade level and salary scale.

ANNEX I

ATTACHMENT 2

Implementation Plan

NO.	MONTH	ACTION	AGENCY
1.	Aug. 1978	PP approved by AA/AFR	AID/W
2.	Aug. 1978	Project Agreement prepared	OSARAC
3.	Aug. 1978	Project Agreement signed	OSARAC/GOL
4.	Sep. 1978	OPEX Advisory needs developed	OSARAC
5.	Sep. 1978	PIO/T for contractor services issued	OSARAC/ AID/W
6.	Sep. 1978	IFB prepared for housing construction and issued	OSARAC/ REDSO/GOL
7.	Nov. 1978	Housing construction begins	GOL/REDSO
8.	Nov. 1978	Counterparts selected for OPEX advisors	OSARAC/GOL
9.	Dec. 1978	Award of contract	AID/W/OSARAC
10.	Jan. 1979	Initial PIO/P's issued for out-of-country training (1979/1980)	OSARAC/
11.	Feb. 1979	OPEX nominations submitted to GOL	AID/W/OSARAC
12.	Mar. 1979	Housing construction completed	GOL/REDSO
13.	Apr. 1979	First OPEX advisors arrive	AID/OSARAC/ GOL
14.	Aug. 1979	Training programs for 1980/1981 developed	GOL/OSARAC
14.	Oct. 1979	First internal evaluation; PAR	OSARAC/GOL
16.	Oct. 1979	Review OPEX staffing needs	OSARAC/GOL
17.	Nov. 1979	Instructions to contractor for OPEX recruitment	OSARAC/AID/W
18.	Dec. 1979	OPEX nomination submitted to GOL	AID/W/OSARAC
19.	Jan. 1980	Participants selected; PIOP's issued for out-of-country training (1980/1981)	OSARAC/GOL
20.	Jan. 1980	OPEX advisors arrive	AID/W/OSARAC/ GOL

NO.	MONTH	ACTION	AGENCY
21.	Jul. 1980	Training program for 1981/1982 developed	OSARAC/GOL
22.	Aug. 1980	First external evaluation; PAR	AID/OSARAC/ GOL
23.	Sep. 1980	Review OPEX staffing needs	OSARAC/GOL
24.	Oct. 1980	Instructions to contractor OPEX recruitment	OSARAC/AID/W
24.	Nov. 1980	OPEX nominations submitted to GOL	AID/W/OSARAC
26.	Jan. 1981	Participants selected; PIO/P's issued for out-of-country training (1981/1982)	OSARAC/GOL/ AID/W
27.	Jan. 1981	OPEX advisors arrive	AID/W/OSARAC GOL
28.	Apr. 1981	Review OPEX staffing needs	OSARAC/GOL
29.	May 1981	Instructions to contractor for OPEX recruitment	OSARAC/AID/W
30.	June 1981	OPEX nominations submitted to GOL	AID/W/OSARAC
31.	Aug. 1981	Second internal evaluation	
32.	Sep. 1981	Training programs for 1982/1983 developed	OSARAC/GOL
33.	Sep. 1981	OPEX advisors arrive	AID/W/OSARAC/ GOL
34.	Jan. 1982	Participants selected; PIO/P's issued for out-of-country training (1982/1983)	OSARAC/GOL/ AID/W
35.	Aug. 1982	Third internal evaluation; PAR	OSARAC/GOL
36.	Sep. 1983	Final project evaluation	AID/W/OSARAC/ GOL

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